



ST. LUKE'S
IOWA HEALTH SYSTEM

IowaCare Program

St. Luke's Hospital Cedar Rapids, Iowa

Presentation to Medical Assistance Projections and
Assessment Council

Presenters

- Jerry Worden, Vice President/Chief Financial Officer
St. Luke's Hospital
- Mary Clouse, Director of Patient Registration and
Scheduling, St. Luke's Hospital

IowaCare Program

- St. Luke's Hospital is a senior affiliate of the Iowa Health System.
- 560 Licensed Beds
- 25 Rehabilitation Beds
- 74 Psychiatric Beds
- 24 Long-term acute care beds scheduled to open July 1, 2008
- In 2007, St. Luke's billed more than \$563 million in inpatient and outpatient charges including:
 - 2683 Births
 - 52,743 Emergency Room Visits
 - 157,270 Outpatient Visits

IowaCare Program

- St. Luke's Hospital supports Iowa Senate Bill 2034.
- However, we do not think it does enough.
- The following is St. Luke's dilemma concerning the IowaCare Program.

IowaCare Program

- Many patients who have or qualify for IowaCare are using St. Luke's Emergency Room for their medical home.
- Over the last three years IowaCare charges to St. Luke's have grown to:

Total Charges For Services

2005	2006	2007
\$377,233	\$1,500,940	\$1,801,559

IowaCare Program

IowaCare Participants Charges by Department

Department	2005 (July-Dec)	2006	2007
Emergency Room	\$80,944 (21.5%)	\$471,799 (31.4%)	\$968,044 (53.7%)
Behavioral Health	\$16,289 (12.4%)	\$268,838 (17.9%)	\$195,556 (10.9%)
Cardiology	\$26,023 (6.9%)	\$250,905 (16.7%)	\$213,992 (11.9%)
Medical	\$33,678 (7.3%)	\$182,057 (12.1%)	\$304,499 (16.9%)
Rehabilitation	\$88,407 (23.4%)	\$178,805 (2.5%)	\$37,363 (2.1%)

IowaCare Program

- St. Luke's Hospital Emergency Room Physicians are billing approximately \$100,000 a month for self pay patients. IowaCare patients represent 50% of these billings.

IowaCare Program

- Iowa Health System billed charges were \$5.3 million for 2007 for IowaCare Patients.
- Affiliates most affected are:
 - Iowa Health Des Moines (\$1.75 million)
 - St. Luke's, Cedar Rapids (\$1.80 million)
 - Allen Hospital, Waterloo (\$1.03 million)

IowaCare Program

- Why do patients not use the University of Iowa Hospitals and Clinics (UIHC) as they are suppose to?
 - Do not have transportation to Iowa City.
 - Will not have family support if they go to UIHC.
 - Condition is serious enough that they can not wait the 3-4 months for scheduled appointments.
 - Many participants did not understand when they signed up for the IowaCare program that they could only receive care at the University of Iowa Hospitals and Clinics.

IowaCare Program

- What are patients telling us regarding the program?
 - Cannot produce a birth certificate or proof of residency they need to enroll in IowaCare.
 - “But I can still go to the hospital and no matter how much I owe them, I still get good treatment, I mean...It has to just built up to where I mean I will never be able to get out of debt with the hospital..”
 - “I probably owe St. Luke’s thousands of dollars because I don’t go to any other hospital....”

IowaCare Program

- In January, 2008, a 44-year old woman with IowaCare Program coverage came to the ER critically ill. She was admitted to ICU and stabilized. The physician attempted to transfer her to UIHC when she was stable and they denied the transfer due to her needing isolation. Her bill at St. Luke's is \$75,000.
- 27-year old IowaCare patient admitted January 15th with pancreatitis. Left against medical advice next day but was readmitted 12 days later. Had 3 other ED visits in January. Bill-\$16,813.89. Does not have transportation to UIHC when he needs emergent care. Has to arrange it in advance for scheduled appointments.

IowaCare Program

- 49-year old IowaCare patient at UIHC being treated for accident that caused crushing injuries to legs. UIHC wanted patient to come to St. Luke's Rehabilitation Department. Attempted to do a revolving fund with UIHC but they did not want to pay 100% of the Medicaid reimbursement.
- As of Tuesday of this week, 9 people are awaiting admission to our Rehabilitation Department. Two of these are IowaCare patients for which we will not receive any reimbursement as the program is presently administered nor will our physicians.

IowaCare Program

- Behavioral Health Patients: IowaCare only pays for mental health patients at MHI in Independence. The bed capacity has also decreased so there is a 4-6 week waiting period to get a patient admitted there.
- St. Luke's is becoming the only alternative for behavioral health inpatients in Eastern Iowa.

IowaCare Program

- What is St. Luke's doing?
 - Title XIX Specialist Program – every private pay admission and emergency room visit over \$1,000 is reviewed for eligibility for Title XIX, IowaCare or any other payment source.
 - Patients are educated and referred to UHIC for chronic and follow-up care.
 - St. Luke's has organized monthly Financial Advocacy clinic to enroll patients for financial assistance and charity care.

IowaCare Program

- What is St. Luke's doing?
 - St. Luke's has amended our Charity Care Policy to provide presumptive charity care for patients. For example: patients would qualify if they are eligible for:
 - Agriculture Food & Nutrition Service (Food Stamp Program)
 - Family Investment Program
 - Mothers and Childrens (MAC) Program
 - Iowa Family Planning Network (IFPN)
 - Medically Needy Program
 - County Relief

Note: Presumptive charity care saves \$20 - \$25 per patient visit for billing and follow-up collections.

IowaCare Program

- What is Linn County community doing?
 - Opened Linn Community Care Clinic in November, 2007.
 - A federally qualified community health clinic.
 - Partnership with Family Practice Residency Program.
 - Treats uninsured as well as insured patients.
 - St. Luke's Hospital has started discussion with Linn Community Care Clinic regarding creating an Emergency Department diversion clinic on the St. Luke's campus to treat our uninsured patients.

IowaCare Program

- Community Health Free Clinic (CHFC) established in 2002 in Cedar Rapids to treat the un and underinsured.
- Volumes growing and taxing this volunteer supported facility.

Patients seen at Community Health Free Clinic

Dec. 2002- June 2003	July 2003- June 2004	July 2004- June 2005	July 2005- June 2006	July 2006- June 2007	July 2007- Dec. 2007
4,469	13,785	21,983	29,624	38,417	22,440

- Estimated annualized 2007 – 2008: 45,000

IowaCare Program

- CHFC experiences with the IowaCare Program
 - A patient who needs a hip replacement and is in severe pain cannot get an appointment at UIHC for 3-4 months. Narcotics are not alleviating the pain. Is being sent to an ED for definitive treatment.
 - Patients can not pay the \$14-\$31 co-pay so UHIC will not see until this is paid.
 - 800 number was discontinued-patients have no way to contact them since it is long distance.

IowaCare Program

- Recommendations
 - St. Luke's Hospital should receive at a minimum, Medicaid hospital rates for emergency department services, rehabilitation services and mental health services for IowaCare Program patients.
 - EMTALA mandates anyone coming to a designated Emergency department be medically screened and stabilized before a transfer can occur to another facility. (Hospitals & physicians should be paid)
 - Decrease in the number of state funded mental health beds has increased the demand for St. Luke's behavioral health beds.
 - UIHC does not have a Rehabilitation Department and are referring patients needing these services to St. Luke's Hospital.

IowaCare Program

- St. Luke's will be opening a Long Term Acute Care Hospital (LTACH) in 2008 and we will not be able to serve IowaCare patients in this facility.

IowaCare Program

Questions ??



IowaCare Program Position Paper

Overview:

The IowaCare Program was established in 2005 as part of the Iowa Medicaid Reform 2005 Iowa Care Act (HF 841). It replaced the "State papers" program for the payment of healthcare of the uninsured. To qualify for this program, one must not be eligible for Medicaid or have access to other insurance, be between 19 and 64 years of age, have an adjusted income at or below 200% of the Federal Poverty Level (FPL), and meet other conditions of participation including residential requirements. Others that may qualify are women who are eligible for the Family Planning waiver, pregnant women and newborn infants in families with household income deductions for medical bills reduce family income to 200% FPL. People living in Polk County may receive services at either Broadlawns Hospital or University of Iowa. Those living in other counties must receive services at University of Iowa Hospitals and Clinics and the four state mental health institutes. The IowaCare members must pay a premium that is based on the adjusted household income. There are exceptions for this premium in hardship cases.

Issue:

People in the IowaCare Program or eligible for the program continue to receive care at St. Luke's Hospital instead of going to the University of Iowa Hospitals and Clinics. In the 6 months the program was effective in 2005, the hospital charges for care provided to IowaCare participants or those eligible was \$377,234. In 2006, it was \$1,500,941 and in 2007 it was \$1,801,559. Over 53 % of these charges are for ED services. The other departments with higher percentages of IowaCare program are adult behavioral health 10.9 %, cardiology services 11.9 %, and rehabilitation 2.1%. St. Luke's has received no payment from the program for these services.

IowaCare Participants' Total Charges

2005	2006	2007
\$377,234 July-Dec	\$1,500,941	\$1,801,559

IowaCare Participants Charges by Department

DEPARTMENT	2005(JULY-DEC)		2006		2007	
Behavioral Health	\$16,289	12.4%	\$268,838	17.9%	\$195,556	10.9%
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The patients are seeking care at St. Luke's instead of the University of Iowa Hospital and Clinics for several reasons such as they do not have transportation available to Iowa City, and they can not gain entry into the IowaCare program in a timely manner. Other reasons for coming to St. Luke's are that the patients do not understand that they can only receive care at the University of Iowa.

Recommendations:

St. Luke's should receive reimbursement from the state for emergency department services, rehabilitation services and mental health services for IowaCare Program patients due to the federal regulation (EMTALA) mandating that care be provided at the hospital when the patient presents to the hospital for care of an emergency condition, and inability of the University of Iowa to provide mental health and rehabilitation services.

- Because of EMTALA, when a person enters the Emergency Department and requests care for an emergency condition, information on insurance can not be obtained until after the assessment is done and then transfer can occur only if services can not be provided at St. Luke's or if the patient requests. By the time the determination is made that the patient is stable, charges have already accumulated from this assessment, and the patient may refuse the transfer to the University of Iowa Hospital for reasons cited above.
- The state has decreased the number of beds in the 4 state funded mental health institutes. Since St. Luke's is one of the larger providers of mental health services in the eastern half of the state, many of the other hospitals transfer their patients to St. Luke's for care and again because of EMTALA, the hospital can not reject the transfer if there is capacity to accept the patient. The four state funded mental health institutes usually have a waiting list, thus the only place for inpatient mental health treatment is St. Luke's Hospital.
- The University of Iowa Hospital and Clinics does not have an inpatient rehabilitation department and has referred the patients to St. Luke's for these services knowing that St. Luke's does not receive payment for these patients.
- St. Luke's will be opening a Long Term Acute Care Hospital (LTACH) in 2008, and we will not be able to serve IowaCare patients in this facility.

At a minimum, St. Luke's Hospital and physicians should receive the Medicaid rate for services provided to IowaCare beneficiaries.

Questions or concerns should be directed to:

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